

STATEMENT OF PURPOSE

RS23877

This is the fiscal year 2016 appropriation to the Department of Health and Welfare for the divisions of Independent Councils, Indirect Support Services, Healthcare Policy Initiatives, and Licensing and Certification. It includes \$18,246,000 from the General Fund, \$5,902,400 from dedicated funds, and \$37,986,200 from federal funds for a total of \$62,134,600 and 373.5 FTP. The bill also contains three sections of department-wide legislative intent language, three sections specific to Indirect Support Services, one section specific to the Independent Councils, one section specific to Healthcare Policy Initiatives, and one section specific to Licensing and Certification.

The Independent Councils Division includes the Developmental Disabilities Council and the Domestic Violence Council. Adjustments to the division include changes for employee benefit costs and the 3% merit-based change in employee compensation that is to be distributed at the discretion of the director. There is one enhancement for the Domestic Violence Council that adds \$4,185,000 of additional appropriation to provide support to victims of crime, specifically domestic violence, child abuse, and sexual assault. Funding is from the federal Victims of Crime Act (VOCA) and due to an excessive cash balance of VOCA funds, this enhancement is more than double the historical distribution.

Indirect Support Services provides department wide support for finance, human resources, the office of the director, and IT support. Adjustments to the division include changes for employee benefit costs, statewide cost allocation, and the 3% merit-based change in employee compensation to be distributed at the discretion of the director. Additional enhancements include three line items. The first is line item 9 and it reduces the amount from the General Fund in personnel costs by \$347,300. This funding was removed from Indirect Support Services and added to the Child Welfare Program for salary increases for social workers. Line item 13 provides for a shift in appropriation from federal funds to dedicated funds, on a one-time basis, to provide additional programming for determining eligibility for the Advanced Premium Tax Credit (APTC) on behalf of Your Health Idaho. The final line item reduces the division's appropriation by \$108,700 and 2 FTP. These positions were transferred to the Office of the Attorney General.

Healthcare Policy Initiatives was created in the 2015 legislative session and is intended to be a catch-all for various federal or state healthcare policies that do not cleanly fit in any other department program. Currently this program only oversees the SHIP grant. The only adjustment to the program is the annualization of \$5,292,300 for the continuation of the State Healthcare Innovation Plan (SHIP), which is designed to identify the process for transforming Idaho's current fee-for-service healthcare system to a value based system of care.

Licensing and Certification surveys, inspects, licenses, and certifies health care facilities that require certification or licensure by either state or federal requirements. Adjustments include changes for employee benefit costs, statewide cost allocation, and the 3% merit-based change in employee compensation that is to be distributed at the discretion of the director. There is one enhancement that provides four FTP and \$347,200 for additional health facility surveyors. These positions are intended to help with the current backlog of facility surveys and certifications.

FISCAL NOTE

	FTP	Gen	Ded	Fed	Total
FY 2015 Original Appropriation	361.40	19,801,300	3,649,600	27,866,600	51,317,500
Indirect Support Services					
1. Eligibility for Health Insurance					
Subsidy	0.00	0	3,605,700	(3,605,700)	0
4. Supplemental	0.00	0	0	0	0
9. Purchase Replacement Items Early	0.00	0	0	2,600,000	2,600,000
Healthcare Policy Initiatives					
4. SHIP Grant	7.00	0	0	3,479,800	3,479,800
FY 2015 Total Appropriation	368.40	19,801,300	7,255,300	30,340,700	57,397,300
Noncognizable Funds and Transfers	3.00	32,200	0	27,400	59,600
FY 2015 Estimated Expenditures	371.40	19,833,500	7,255,300	30,368,100	57,456,900
Removal of One-Time Expenditures	0.00	(1,697,600)	(21,600)	(4,037,700)	(5,756,900)
Base Adjustments	0.10	0	(3,230,500)	3,230,500	0
FY 2016 Base	371.50	18,135,900	4,003,200	29,560,900	51,700,000
Benefit Costs	0.00	90,000	15,600	117,100	222,700
Replacement Items	0.00	0	0	0	0
Statewide Cost Allocation	0.00	56,600	0	49,700	106,300
Annualizations	0.00	0	0	5,292,300	5,292,300
Change in Employee Compensation	0.00	295,700	59,100	382,300	737,100
FY 2016 Program Maintenance	371.50	18,578,200	4,077,900	35,402,300	58,058,400
Independent Councils					
38. Additional Victims of Crime Act					
Funds	0.00	0	85,000	4,100,000	4,185,000
Indirect Support Services					
9. Social Worker Pay Increase	0.00	(347,300)	0	0	(347,300)
13. Eligibility for Health Insurance					
Subsidy	0.00	0	1,739,500	(1,739,500)	0
15. Add Internal Audit Staff	0.00	0	0	0	0
35. Medicaid Hearings to AG Office	(2.00)	(57,400)	0	(51,300)	(108,700)
Licensing and Certification					
3. New Health Facility Surveyors	4.00	72,500	0	274,700	347,200
FY 2016 Total	373.50	18,246,000	5,902,400	37,986,200	62,134,600
Chg from FY 2015 Orig Approp	12.10	(1,555,300)	2,252,800	10,119,600	10,817,100
% Chg from FY 2015 Orig Approp.	3.3%	(7.9%)	61.7%	36.3%	21.1%

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